



Youth Surge in the South A Great Business Opportunity

The world's youth population (those between the ages of 12 and 24) has now reached a historical high of 1.5 billion – 1.3 billion of whom are in developing countries (World Development Report 2007). Nearly half of the world's unemployed are youth, and the Middle East and North Africa alone must create 100 million jobs by 2020 to meet demand for work.

Some 130 million people between the ages of 15 and 24 cannot read or write. This enormous cohort of talent and energy in many countries of the South goes untapped. Many youths lack access to quality employment and education opportunities. Yet knowledge of business could make the difference between success and failure for these young people, especially when they come from poor families with few choices. Business is also a great way to help harder-to-reach young people such as child soldiers, young girls, youth affected by HIV/AIDS, gang members, and orphans.

"The youth bulge is happening and it is an enormous opportunity or an enormous challenge: how are all these young people going to have productive and valuable livelihoods and contribute to their communities?," said Fiona Macauley, founder and president of US-based consulting firm working with entrepreneurs, [Making Cents International](#). "Policy makers are only just realizing they need a change of perspective on health issues, issues of poverty, the education system – all of it needs to respond."

Micro-entrepreneurship, where risk is low and the amount invested small, offers the most realistic route into business for youth in countries where more formal opportunities are absent. While concepts like micro-credit and social lending have taken off, youth have not received the attention they deserve, according to Macauley. She has also found financial services need to change to encourage youth to save, while also opening up to give them access to credit for micro-entrepreneurship.

To address this problem, Making Cents is organizing a [Youth Microenterprise Conference](#) on September 1-12, 2007 in Washington D.C. in order to start building the links and networks between groups working with youth businesses, and to build a global movement for youth economic development. It will tackle three themes: the role of youth, sector strategies, and building partnerships.

"It is important that entrepreneurship is mainstreamed into the school system," continues Macauley. "That youth are getting good skills the private sector are looking for: how to budget, costing and pricing, developing entrepreneurial mind sets, problem solving, leading groups, researching, how to be problem solvers. If we can get this into the high school and the elementary school level, imagine how different the workforce would be?"

Other initiatives that are focusing on youth entrepreneurship:

[South African Breweries Limited](#) has been providing seed capital to youth businesses run by 18 to 35 year olds through its KickStart program. Successful youth enterprises to come out of the program have included Golden Sunset Fresh Produce, started by 27-year-old Alwyn Jepha to help pay for his law school studies. Starting on a small scale producing vegetables and fruit, the business has grown substantially, making in a month what it once made in a year. The

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KickStart grant enabled Jephtha to buy irrigation equipment and to scale up his operations. At Zanopt, Khetla Leqola has been producing afro-centric optical frame styles, meeting a market need not being met by the global brands. KickStart enabled Leqola to buy the equipment required to produce the frames and run his office.

[The Barbados Youth Business Trust](#) has an excellent web portal for youth, with practical tips on starting a youth business and good examples of young people actually doing it. At 29, youth entrepreneur Ailene Harrison-Malcolm found herself unemployed. She had long noticed the lack of clothing for full-bodied women in Barbados, and decided to open her own store, Full Elegance Boutique in 2002. She was able to tap into a mentoring scheme run by the government's Youth Entrepreneurship Scheme to get a loan. It is this kind of joined up support that youth need.

LINKS:

- [World Development Report 2007](#): Development and the Next Generation
 - [World Bank's Youthink!](#): Website for youth
- [The Entrepreneurial League System](#): Professor Thomas S. Lyons and Gregg A. Lichtenstein have established an entrepreneurial mentor scheme based on the baseball farm team concept targeting poor communities.
- [Students in Free Enterprise \(SIFE\)](#): A non-profit organization in 40 countries, it organizes students on university campuses to develop community outreach projects that achieve their five goals: market economics, success skills, entrepreneurship, financial literacy, and business ethics.
- [Youth Business International \(UK\)](#): An international organization providing disadvantaged youth with business mentoring and funds. They helped 2,000 youth in 2006.
 - [UN Youth Employment Gateway](#)

Old Adage Gets New Life

Education is recognized as critical for development and improving people's lives. Universal primary education is a Millennium Development Goal and countries are now allocating more funds for primary education across the global South. However, the options available to youth after primary education are often very limited. The World Bank estimates that only nine percent of youth in the developing world will be able to go to a university or benefit from higher education scholarships. For the vast majority of youth, getting a job is often the only viable option to securing a livelihood; but in most developing countries the number of formal sector jobs is low and the only option is self-employment. Acquiring relevant training and practical skills can be crucial to becoming successfully self-employed. But where will the training and skills come from and who will provide it and pay for it?

This dilemma is being addressed by the "self-sufficient schools" concept. The model combines entrepreneurship and vocational education through school-based businesses that blend training and revenue-generation. The principle is simple: entrepreneurship and entrepreneurial skills are taught by successful entrepreneurs.

The model is being pioneered in several countries and has been successfully applied by UK-based charity [TeachAManToFish](#) in Ghana and Paraguay, targeting rural youth from farming families through a network of 250 vocational experts and institutions in 45 countries. The approach promotes a model for making education both more relevant and financially sustainable in rural communities.

Self-sufficient schools share several characteristics: they produce and sell goods and services; they focus on developing an entrepreneurial culture; they make a direct connection between theory, practical work and financial reward; they encourage learning by doing; they strive to keep improving in order to remain economically competitive; students are encouraged to work cooperatively; and students receive support after graduating, often in the form of microfinance for their new businesses.

In the South American nation of Paraguay, the [Fundacion Paraguaya – San Francisco Agricultural High School](#) – run by an NGO committed to poverty reduction through supporting entrepreneurship – found that small-scale farmers not only knew how to produce food, they also knew how to make a prosperous living out of it when given the right tools. Taking over a school previously run by a religious order, the NGO had the opportunity to put the concept to the test.

The organization's head, Martin Burt states, "It is not a matter of knowing how to grow the crop, or raise the animal; it is a matter of how to make money and then how to be financially successful doing farming in poor countries."

The Paraguayan school is half way through its five-year plan, and already is covering two thirds of its recurring costs from the production and sale of goods and services, including specialist cheeses.

LINKS:

- [A paper on the concept of self-sufficient schools](#)
- [CIDA City Campus, Johannesburg, South Africa](#): CIDA is the country's only "free", open-access, holistic, higher educational facility" and is "operated and managed by its students, from administration duties to facilities management. In addition every student is required to return to their rural schools and communities, during holidays, to teach what they have learnt."
- The First International Conference on Self-Sufficient Schools is being planned by TeachAManToFish. Expressions of interest are sought from all individuals and organizations interested in taking part in the conference. Email conference@teachamantofish.org.uk for more information.

Safe Healthcare Is Good Business and Good Health

Many people have been shocked by recent stories about the proliferation of counterfeit drugs and the rate at which they are killing and harming people in Nigeria. The [International Narcotics Control Board](#) found that up to 50 percent of medicines in developing countries are counterfeit. This has driven home the point that without the presence of legitimate players in the African drug market, the illegal sharks will step in to make large profits – and a literal killing.

To counter this negative trend, what is most needed is support for reliable Africa-based companies: businesses that are long-term, sustainable and not living from one grant to the next. But as experience has shown around the world, nurturing businesses requires certain fundamentals: they must work to be profitable, they must find a market and exploit it, and they need cash infusions that are timed to the company's growth, not to the cycle of international donors. This role, often served in developed countries by venture capitalists, who want a fast return of 35 percent – is too onerous a burden for most African businesses. What African companies need is a more conservative, long-term approach; one that expects returns of between five and 10 percent.

Kenyan company [Advanced Bio-Extracts \(ABE\)](#) is one good example. Only 18 months old and based in Nairobi, the company produces one of a new generation of low-cost anti-malarials known as artemisinin-based combination therapies (ACTs). The drug is produced from the green leafy plant *Artemisia*, or sweet wormwood. The company is the first in Africa to make this drug, and employs 7,000 local farmers in Kenya, Tanzania and Uganda, as well as scientists.

ABE has received two infusions of cash from non-profit social venture capitalists [Acumen](#), as well as investment from Swiss drug giant Novartis. Acumen has so far invested US \$9.6 million in 11 active investments focused on a diverse set of health challenges, including basic healthcare access in rural areas and treatment for malaria and HIV/AIDS.

"We are commercializing a product that had never been commercialized," said ABE's owner, Doug Henfrey, to the New York Times. "Those little windows of support make these things happen. We could not have done it otherwise."

Acumen's Kenya country director, Nthenya Mule, said "there are positive things happening in Africa, but they are not happening overnight, and some are happening quietly. ABE is exemplary. You will not see it as front-page news, but in 18 months they set up a factory with 160 people interfacing with 7,000 farmers and supplying one of the major pharma companies in the world."

Stimulating private sector solutions to African healthcare problems is receiving an additional boost from a new fund established by the World Bank's private sector arm, the International Finance Corporation. To be launched later in 2007, it will offer cash and loans totaling US \$500 million to commercial healthcare projects in Africa. According to its own statistics, 60 percent of health expenditure in sub-Saharan Africa is privately funded, and the market, excluding South Africa, is worth US \$19 billion.

LINKS:

- [Roll Back Malaria Partnership](#): Launched in 1998 by the World Health Organization, UNICEF, UNDP and the World Bank to coordinate the global campaign, to fight malaria.
- [Malaria Atlas Project \(MAP\)](#): An online map showing up-to-date information on high-risk areas for malaria.
- [The Global Threat of Counterfeit Drugs: Why Industry and Governments Must Communicate the Dangers](#): A paper on the global threat of counterfeit drugs.



How the Crocodile Saved the Community: Equator Prize Finalist 2006 – The Sepik Wetlands Management Initiative Story

A major determinant of a community's wealth is access to and control over natural resources. An often underrated but highly critical resource is provided by biodiversity.

The Sepik Wetlands Management Initiative is a perfect example of how community-driven efforts towards conserving biodiversity can have major impacts on reducing poverty. The Sepik Wetlands Management Initiative was selected as one of twenty-five finalists for this year's Equator Prize. Through this prize, the United Nations Development Programme Equator Initiative partnership has been actively engaged in showcasing and supporting projects such as this one as examples of best practice in community-based resource conservation and poverty alleviation. Please click [here](#) for a description of the other celebrated finalists.

The middle Sepik River in Papua New Guinea has long been characterized by vibrant biodiversity, the lush flora being equally matched by abundant fauna. As residents increasingly used fire to convert floating mats of herbaceous vegetation to fishing grounds, the balance that had once pervaded throughout the ecosystem began to noticeably deteriorate.

The biggest problem associated with the environmental degradation for the community was the effect it had on the crocodile population. The sale of crocodiles and their eggs provide livelihoods for a significant number of individuals in the middle Sepik River region. Seeing their primary resources dwindling before their eyes, the community members of the middle Sepik River came together in search of a solution.

The common concern amongst members and leaders of the communities over the dwindling crocodile population was the galvanizing force needed to get the ball rolling. From there, local leaders sought the technical advice of experts in ecology, economics, and governance. Through much collaboration, the Sepik Wetlands Management Initiative was born.

The proposed model integrated efforts towards generating income, managing local resources sustainably, as well as rejuvenating the broader ecosystem. To revitalize the ecosystem, artificial floating mats were created to increase the availability of crocodile nesting grounds. In order to restore the natural state of the wetlands, fires have been prohibited. These types of systematic efforts have made major contributions towards reviving the crocodile population.

In addition to focusing on the larger ecological system, there were also special efforts towards involving the whole community in the project. Consequently, members of the local villages have been empowered to take matters into their own hands. They are responsible for monitoring crocodile populations, surveying habitat, enforcing various regulations, sustainable harvesting, as well as developing and improving the project itself. Active community engagement and ownership have been instrumental in the success of this initiative.

Through the synergy of the ecological and community-driven approaches, the crocodile population has boomed. In fact, both the number of crocodiles and the number of nesting sites has doubled. As a result, income has risen throughout local communities. Many more families can now pay for their children to attend schools. Thus, investing in the local biodiversity is opening up the doors to a brighter future.

The community-driven biodiversity conservation paradigm adopted by the Sepik River villagers has restored the natural habitat, saved the crocodile population, and improved local social conditions. By applying similar models to other communities at the local level, a solution to our global environmental and development problems may be within reach.

The UNDP Equator Initiative has been working to spread ideas and stories such as this one far and wide in order to catalyze popular and political support for community-based initiatives. Drawing on support from its partners – the government of Canada, Conservation International, the Convention on Biological Diversity, Fordham University, the German Federal Ministry of Economic Development and Cooperation (BMZ), the International Development Research Center (IDRC), IUCN – The World Conservation Union, The Nature Conservancy (TNC), Rare, the Television Trust for the Environment (TVE), the United Nations Foundation, and the United Nations Development Programme, the Equator Initiative continues to promote the proliferation of community-driven biodiversity-development projects around the world. Visit www.equatorinitiative.org for more information.

- Microcapital.org

--A very clear summary of the issues involved in social investing and microfinance investing, this blog tracks all microfinance investment funds. Currently, it lists 63 funds, 13 of which provide a return to the investor.

- **Planet India: How the Fastest-Growing Democracy is Transforming America and the World**

by Mira Kamdar, Publisher: Scribner

- **India After Ghandi: The History of the World's Largest Democracy**

by Ramachandra Guha, Publisher: Macmillan

- **The Darker Nations: A People's History of the Third World**

by Vijay Prashad, Publisher: New Press

Job Opportunities

- [Africa Recruit Job Compendium](#)

- [Africa Union](#)

- [CARE](#)

- [Christian Children's Fund](#)

- [ECOWAS](#)

- [International Crisis Group](#)

- [International Medical Corps](#)

- [International Rescue Committee](#)

- [Internews](#)

- [IREX](#)

- [Organization for International Migration](#)

- [Oxfam](#)

- [Relief Web Job Compendium \(UN OCHA\) \(1\)](#)

- [Relief Web Job Compendium \(UN OCHA\) \(2\)](#)

- [Save the Children](#)

- [The Development Executive Group job compendium](#)

- [Trust Africa](#)

- [UN Jobs](#)

- [UNDP](#)

- [UNESCO](#)

- [UNICEF](#)

- [World Bank](#)

- [World Wildlife Fund \(Cameroon\)](#)



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